



GENERAL ASSEMBLY

COMMONWEALTH OF KENTUCKY

2012 REGULAR SESSION

HOUSE BILL NO. 388

THURSDAY, MARCH 8, 2012

The following bill was reported to the Senate from the House and ordered to be printed.

RECEIVED AND FILED
DATE April 11, 2012
3:03 p.m.
ALISON LUNDERGAN GRIMES
SECRETARY OF STATE
COMMONWEALTH OF KENTUCKY
BY Mary Sue Helm

1 AN ACT relating to continuing care retirement communities.

2 ***Be it enacted by the General Assembly of the Commonwealth of Kentucky:***

3 ➔Section 1. KRS 216B.332 is amended to read as follows:

4 (1) To be eligible for a certificate of compliance, a continuing care retirement
5 community shall certify in writing to the cabinet and shall disclose in writing to
6 each of its residents that:

7 (a) None of the health facilities or health services operated by the continuing care
8 retirement community shall apply for or become certified for participation in
9 the Medicaid program; and

10 (b) No claim for Medicaid reimbursement shall be submitted for any person for
11 any health service provided by the continuing care retirement community.

12 (2) A continuing care retirement community may establish one (1) bed at the nursing
13 home level of care for every four (4) living units or personal care beds operated by
14 the continuing care retirement community collectively. All residents in nursing
15 home beds shall be assessed using the Health Care Financing Administration or
16 Centers for Medicare and Medicaid Services approved long-term care resident
17 assessment instrument.

18 (3) Admissions to continuing care retirement community nursing home beds shall be
19 exclusively limited to on-campus residents. A resident shall not be admitted to a
20 continuing care retirement community nursing home bed prior to ninety (90) days of
21 residency in the continuing care retirement community unless the resident
22 experiences a significant change in health status documented by a physician. No
23 resident admitted to a nursing home bed shall be transferred or discharged without
24 thirty (30) days prior written notice to the resident or his or her guardian.

25 (4) A continuing care retirement community shall assist each resident upon a move-out
26 notice to find appropriate living arrangements. Each continuing care retirement
27 community shall share information on alternative living arrangements provided by

1 the Department for Aging and Independent Living at the time a move-out notice is
 2 given to a resident. The written agreement executed by the resident and the
 3 continuing care retirement community shall contain provisions for assisting any
 4 resident who has received a move-out notice to find appropriate living
 5 arrangements, prior to the actual move-out date.

6 **(5) Home health services provided by a continuing care retirement community to its**
 7 **on-campus residents shall not require a certificate of need.**

8 ➔Section 2. KRS 216B.020 is amended to read as follows:

- 9 (1) The provisions of this chapter that relate to the issuance of a certificate of need shall
 10 not apply to abortion facilities as defined in KRS 216B.015; any hospital which
 11 does not charge its patients for hospital services and does not seek or accept
 12 Medicare, Medicaid, or other financial support from the federal government or any
 13 state government; assisted living residences; family care homes; state veterans'
 14 nursing homes; services provided on a contractual basis in a rural primary-care
 15 hospital as provided under KRS 216.380; community mental health centers for
 16 services as defined in KRS Chapter 210; primary care centers; rural health clinics;
 17 private duty nursing services licensed as nursing pools; group homes; end stage
 18 renal disease dialysis facilities, freestanding or hospital based; swing beds; special
 19 clinics, including, but not limited to, wellness, weight loss, family planning,
 20 disability determination, speech and hearing, counseling, pulmonary care, and other
 21 clinics which only provide diagnostic services with equipment not exceeding the
 22 major medical equipment cost threshold and for which there are no review criteria
 23 in the state health plan; nonclinically-related expenditures; nursing home beds that
 24 shall be exclusively limited to on-campus residents of a certified continuing care
 25 retirement community; **home health services provided by a continuing care**
 26 **retirement community to its on-campus residents**; the relocation of hospital
 27 administrative or outpatient services into medical office buildings which are on or

1 contiguous to the premises of the hospital; residential hospice facilities established
2 by licensed hospice programs; or the following health services provided on site in
3 an existing health facility when the cost is less than six hundred thousand dollars
4 (\$600,000) and the services are in place by December 30, 1991: psychiatric care
5 where chemical dependency services are provided, level one (1) and level two (2) of
6 neonatal care, cardiac catheterization, and open heart surgery where cardiac
7 catheterization services are in place as of July 15, 1990. The provisions of this
8 section shall not apply to nursing homes, personal care homes, intermediate care
9 facilities, and family care homes; or nonconforming ambulance services as defined
10 by administrative regulation. These listed facilities or services shall be subject to
11 licensure, when applicable.

12 (2) Nothing in this chapter shall be construed to authorize the licensure, supervision,
13 regulation, or control in any manner of:

14 (a) Private offices and clinics of physicians, dentists, and other practitioners of
15 the healing arts, except any physician's office that meets the criteria set forth
16 in KRS 216B.015(4);

17 (b) Office buildings built by or on behalf of a health facility for the exclusive use
18 of physicians, dentists, and other practitioners of the healing arts; unless the
19 physician's office meets the criteria set forth in KRS 216B.015(4), or unless
20 the physician's office is also an abortion facility as defined in KRS 216B.015,
21 except no capital expenditure or expenses relating to any such building shall
22 be chargeable to or reimbursable as a cost for providing inpatient services
23 offered by a health facility;

24 (c) Dispensaries and first-aid stations located within business or industrial
25 establishments maintained solely for the use of employees, if the facility does
26 not contain inpatient or resident beds for patients or employees who generally
27 remain in the facility for more than twenty-four (24) hours;

- 1 (d) Establishments, such as motels, hotels, and boarding houses, which provide
2 domiciliary and auxiliary commercial services, but do not provide any health
3 related services and boarding houses which are operated by persons
4 contracting with the United States Veterans Administration for boarding
5 services;
- 6 (e) The remedial care or treatment of residents or patients in any home or
7 institution conducted only for those who rely solely upon treatment by prayer
8 or spiritual means in accordance with the creed or tenets of any recognized
9 church or religious denomination and recognized by that church or
10 denomination; and
- 11 (f) On-duty police and fire department personnel assisting in emergency
12 situations by providing first aid or transportation when regular emergency
13 units licensed to provide first aid or transportation are unable to arrive at the
14 scene of an emergency situation within a reasonable time.
- 15 (3) An existing facility licensed as skilled nursing, intermediate care, or nursing home
16 shall notify the cabinet of its intent to change to a nursing facility as defined in
17 Public Law 100-203. A certificate of need shall not be required for conversion of
18 skilled nursing, intermediate care, or nursing home to the nursing facility licensure
19 category.
- 20 (4) Notwithstanding any other provision of law to the contrary, dual-license acute care
21 beds licensed as of December 31, 1995, and those with a licensure application filed
22 and in process prior to February 10, 1996, may be converted to nursing facility beds
23 by December 31, 1996, without applying for a certificate of need. Any dual-license
24 acute care beds not converted to nursing facility beds by December 31, 1996, shall,
25 as of January 1, 1997, be converted to licensed acute care beds.
- 26 (5) Notwithstanding any other provision of law to the contrary, no dual-license acute
27 care beds or acute care nursing home beds that have been converted to nursing

1 facility beds pursuant to the provisions of subsection (3) of this section may be
2 certified as Medicaid eligible after December 31, 1995, without the written
3 authorization of the secretary.

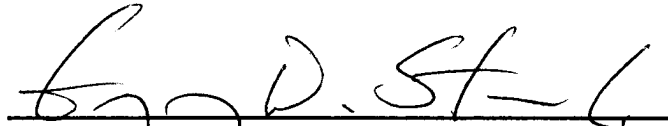
4 (6) Notwithstanding any other provision of law to the contrary, total dual-license acute
5 care beds shall be limited to those licensed as of December 31, 1995, and those with
6 a licensure application filed and in process prior to February 10, 1996. No acute
7 care hospital may obtain a new dual license for acute care beds unless the hospital
8 had a licensure application filed and in process prior to February 10, 1996.

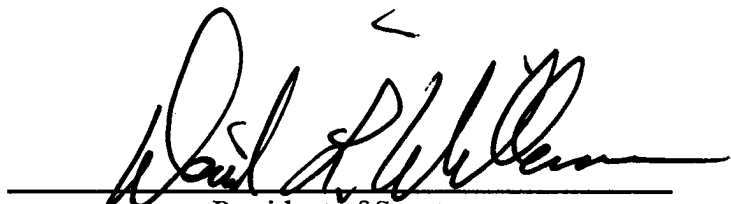
9 (7) Ambulance services owned and operated by a city government, which propose to
10 provide services in coterminous cities outside of the ambulance service's designated
11 geographic service area, shall not be required to obtain a certificate of need if the
12 governing body of the city in which the ambulance services are to be provided
13 enters into an agreement with the ambulance service to provide services in the city.


14 (8) Notwithstanding any other provision of law, a continuing care retirement
15 community's nursing home beds shall not be certified as Medicaid eligible unless a
16 certificate of need has been issued authorizing applications for Medicaid
17 certification. The provisions of subsection (3) of this section notwithstanding, a
18 continuing care retirement community shall not change the level of care licensure
19 status of its beds without first obtaining a certificate of need.

20 ➔Section 3. The following KRS section is repealed:

21 216B.335 Limitation upon establishment of nursing home beds.


Speaker House of Representatives


President of Senate

Attest: 
Chief Clerk of House of Representatives

Approved 
Governor

Date 4-11-12